

Vendors must agree by contract to sell electronic equipment at a stated price which must be honoured anytime in the future. It takes over a year between the signature of the contract and the award of the funding request. To protect themselves against equipment obsolescence and price changes over such a long period, vendors quote prices that are between 2 and 3 times greater than the market. This does not adversely affect schools since they only pay a small fraction of the price. However, the vendors are making big profits at the expense of the taxpayer and ultimately and more importantly less money is used to actually improve schools and libraries. I recommend that the schools and libraries be allowed to buy their electronic equipment on the market freely and be reimbursed directly only to the extent approved in the award upon presentation of paid invoices and cancelled checks.